

The Insolvency and Bankruptcy Code, 2016

MR. DEPUTY CHAIRMAN: Now, the Insolvency and Bankruptcy Code, 2016. ...*(Interruption)*... We have decided to take it up today. ...*(Interruption)*... No, no. In the morning, we decided. There was already an understanding that we would take it up. But I would caution you that the total time allotted is only one hour and we will be very strict to that. Now, the Minister to move.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): Sir, I beg to move:

That the Bill to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interest of all the stakeholders including alteration in the order of priority of payment of Government dues and to establish an Insolvency and Bankruptcy Board of India, and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

The question was proposed.

MR. DEPUTY CHAIRMAN: Shri Anand Sharma, you can speak now. Total time of your party is sixteen minutes. Your party has two speakers. So, you confine it to ten minutes.

SHRI TAPAN KUMAR SEN (West Bengal): Sir, you take the opinion of the House. The House should continue to sit till the Bill is discussed. This is a very serious Bill.

MR. DEPUTY CHAIRMAN: It is up to the House. I have no problem. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN: Don't intrude upon my right to speak on the issue.

MR. DEPUTY CHAIRMAN: The time allotted by the BAC is one hour. What do I do? You are also represented in the BAC.

SHRI TAPAN KUMAR SEN: No. We did not want just one hour for it. You have subsequently guillotined the time.

MR. DEPUTY CHAIRMAN: No. I have not done that. How can I do that?

SHRI TAPAN KUMAR SEN: The allocated time has been subsequently guillotined. Don't say that the BAC has given one hour for it.

MR. DEPUTY CHAIRMAN: Mr. Naqvi, what is the position? How can I cut the time which has been allotted by the BAC?

अल्पसंख्यक कार्य मंत्रालय में राज्य मंत्री तथा संसदीय कार्य मंत्रालय में राज्य मंत्री (श्री मुख्तार अब्बास नकवी): एक घंटे का समय है, इस एक घंटे के अंदर ऑनरेबल तपन दा जितनी देर बोलना चाहें, बोल लें।

MR. DEPUTY CHAIRMAN: Tapanji, the allotted time is one hour. But if you want one or two minutes more, it is okay. That is the point. Shri Anand Sharma.

श्री मुख्तार अब्बास नकवी: सर, हम अपनी पार्टी का टाइम भी इनको दे देते हैं।

SHRI ANAND SHARMA (Himachal Pradesh): Sir, The Insolvency and Bankruptcy Code Bill is a much-needed change that is required in the country and, therefore, I rise to support it.

Sir, we have dated laws when it comes to bankruptcy and insolvency provisions. We have The Presidency-Towns Insolvency Act, 1909 and The Provincial Insolvency Act, 1920. There are only three provincial towns where courts can deal with it, particularly when it comes to the issues relating to bankruptcy declaration as well as recoveries. It is confined to Chennai, Kolkata and Mumbai and the Provincial Insolvency Act to the subordinate courts.

[THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE) *in the Chair*]

I may mention here, Sir, that the existing regime is considered to be inadequate, flawed and time-consuming. Primarily, the dissuading factor for any investor or entrepreneur is that when he starts an enterprise, there is always a fear of dealing with multiple laws, especially if one realises that the investment was a wrong choice or the enterprise as such has failed. Then he has to deal with scattered laws for its revival, or, to exit, or, for its restructuring. There are a maze of laws. We have The Sick Industrial Companies Act, 1985; The Recovery of debts due to banks and Financial Institutions Act, 1993; The Securitisation And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act, 2002; and The Companies Act, 1956 and that of 2013. When this Code was being discussed even in the Select Committee where it was referred to, it was very clear that The Companies Act, 2013 was yet to be notified.

Sir, these laws also provide for multiple forums. The BIFR is where a failed enterprise goes for its reconstruction or revival or the payment of dues to the creditors, the workers ...(Interruptions)...

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): I request for silence in the House.

SHRI ANAND SHARMA: Sir, there should be order in the House. I think the Government Members are non-serious about it.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): I will request you to please...(Interruptions)...

SHRI ANAND SHARMA: If you are going to have this, then you can adjourn the House.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): No, no. The Ministers cannot do this.

SHRI ANAND SHARMA: Sir, there are multiple forums which exist today to address the issues of failing enterprise, their recovery, workers' dues and creditors' dues. They range from the BIFR to the Debt Recovery Tribunal. Then we have the NCLT, which is yet to become fully functional, the High Courts, the Appellate Tribunals, and finally the Supreme Court of India. There are also informal mechanisms for debt restructuring, and today, it is a big issue in the country because of the NPAs which have climbed to ₹ 7,00,000 crores. The number of defaulters also has increased. The enterprises which have failed in businesses, their insolvency and bankruptcy proceedings must start. These informal mechanisms are the corporate debt restructuring guidelines of 2012 CDRs, the joint lending forum guidelines and the strategic debt structuring guidelines.

Sir, what is important is to understand that when an enterprise fails, the proceedings must start. The present regime doesn't do justice to the workers or to the creditors. When it comes to the first charge in the existing regime, it will be recovery of the tax of the Government dues. That is exactly what this present Bill seeks to alter the priority. Through a waterfall mechanism, there the workers' dues get the first priority; and, yes, the creditors too are assured. What is important is that when an enterprise or business is found to be unviable, then, what is the action to be taken? Recovery of the creditors' dues, and safeguarding the interest of all stakeholders, at the same time, not to condemn it to die a slow death, but to look at the possible revival by bringing in a new management and giving an opportunity to the existing one. If not, then, the last resort is for the insolvency processes to start and to be concluded.

We know that this is the first step but an important step because after this Bill is passed, at least, eleven laws will have to be amended. Only then the process which we are starting with this Bill will be completed. It is going to be fairly

[Shri Anand Sharma]

exhaustive. But, at the same time, what is equally important is that we are creating a mechanism through a comprehensive law which gives a legal protection to the creditors 'rights and the debtors' needs for facilitating to reorganise the enterprise or to obtain the relief. It also provides for the timely revival of viable businesses and also the liquidation of the unviable businesses, as I said earlier, the minimisation of losses to all stakeholders and saving the value of the failed businesses. There are many salient features in the Bill which are commendable. The entire process has to be time bound in 90 days. Of course, there is a period of extension which is given. It also makes a very clear distinction between legitimate failure and malfeasance.

Regarding the forum for consolidation, — as I referred to earlier about the multiple forums — here there will be only three forums for the recovery, the National Company Law Tribunal (NCLT), the Appellate Tribunal, the Debt Recovery Tribunal and the DRAT. By bringing in the insolvency resolution professionals, through this Code, which so far we have not brought in at all in our country, we are separating the commercial from the judicial. In addition to that, there are agencies which will be dealing with them.

Therefore, I personally feel that the provisions of this Bill will help in collecting, collating, authenticating and disseminating information, which is required for investors, entrepreneurs and for all stakeholders. That is made available. The insolvency information utilities are established, which would help in collating, as I said, and disseminating the information, which is much needed. There is also a clear provision for an early recognition of the financial distress and a swift processing of the proceedings.

Now, the trigger, as to who can start the process, is also important. But, through this law, either a financial creditor, an operational creditor, a corporate creditor or an individual can trigger and start the insolvency proceedings.

Therefore, without going into more details, once again, pointing out and underscoring that eleven more laws will have to be brought before this House, including the SARFAESI Act and the DRT, I would like to say that this is a good beginning. That is why my Party has decided, as we have always taken a progressive view when it comes to reforms... ..(*Interruptions*)... Allow me to put that on record because we are supporting it. Don't look at the time. It is Party's time.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): I am not saying anything.

SHRI ANAND SHARMA: Sir, we have always been in support when it comes

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to something constructive, positive and progressive. That is why, if you look at the journey of this country, from the first reform and liberalization process in 1991, to where we are today, it is because of that thought, the philosophy and the contribution. I would also like to say here for record that it is important that when it comes to bringing about important changes, whether it is about this particular issue of insolvency and bankruptcy, bringing about structural changes on taxation issues or any other major policy which impacts the country, the States have to have a broad-based consensus. Unless and until, we are able to build a bipartisan consensus, we cannot take forward in a correct manner the measures that the country must take and the institutional mechanism that should be in place. Here this is happening because together we have been able to build a bipartisan consensus.

With these words, I commend this Bill and support it.

श्री भूपेंद्र यादव (राजस्थान): माननीय उपसभाध्यक्ष महोदय, आज जो Insolvency and Bankruptcy Code इस सदन में सलेक्ट कमेटी की रिपोर्ट के बाद आया है, सबसे पहले तो मैं सलेक्ट कमेटी के जितने भी सदस्य थे, उन सब का धन्यवाद भी देना चाहूंगा कि बिल में उन्होंने लगभग 130 अमेंडमेंट्स सजेस्ट किए। लेकिन सारे अमेंडमेंट्स कंसेंसस और यूनेनिमस होकर किए। उसका कारण है कि यह बिल, जैसा कि अभी माननीय आनन्द शर्मा जी भी कह रहे थे, आज के समय की आवश्यकता है। हमारे पास 1909 का लॉ है, 1920 का प्रोविशियल Insolvency Law है और 1964 में लॉ कमीशन की 26th report में सजेस्ट किया था कि देश में नया Insolvency कानून आना चाहिए। हम लोगों ने जो आर्थिक उदारीकरण का दौर किया, उसमें कम्पनियों के ज्यादा व्यापार करने के रास्ते तो खोले, लेकिन आज हम आर्थिक सुधार की दिशा में जाते हुए उस स्तर पर आए हैं, जहां पर ओपननेस के साथ रेग्युलेटरी मेकेनिज्म होना चाहिए, ट्रांसपेरेंसी होनी चाहिए और जो बैलेंस ऑफ कन्विनिएंस है, वह इस तरीके से होना चाहिए कि समाज के निचले तबके के जो लोग हैं, उनकी सामाजिक और आर्थिक सुरक्षा पहले होनी चाहिए।

अभी तक जब भी किसी भी व्यवसाय में पूंजी का जो जोखिम होता था, तो उसमें हम लोग secured creditor को महत्व देते थे और जितने भी लॉज थे, चाहे SICA लॉ बना हो, चाहे debt recovery का लॉ बना हो, उसके तहत secured creditor बहुत आसानी से अपने पैसे ले लेता था, लेकिन जो operational creditor होता था, जो छोटा व्यक्ति, व्यवसाय में किसी भी प्रकार की अपनी सेवा के द्वारा, अपने सामान की सप्लाई के द्वारा, अपने श्रम के द्वारा जो योगदान देता था, उसकी सुरक्षा को लेकर अनेक कानून हमारे यहां थे। डीआरटी में बीआईएफआर की जो प्रक्रिया चलती थी, वह प्रक्रिया इतनी लंबी हो गई थी कि उसमें जो सबसे अंतिम छोर पर खड़ा हुआ व्यक्ति था, उसके लिए बाहर निकलने का रास्ता सबसे आखिर में तय होता था, लेकिन हम लोग यह जो insolvency law लेकर आए हैं, इसमें तीन-चार चीजों को प्रमुखता दी गई है। पहला यह है कि किसी भी व्यवसाय के फेल होने के बाद उसको जो डील किया जाता था, वह अनेक कानूनों के माध्यम से डील किया जाता था। अब insolvency law आने के बाद individual और पार्टनरशिप फर्म की insolvency डीआरटी के द्वारा और बाकी जो कंपनी की bankruptcy

[श्री भूपेंद्र यादव]

है, वह एनसीएलटी के द्वारा, स्पष्ट रूप से पहले बहुत सारे जो फर्म्स और सिविल कोर्ट्स के विषय थे, उनको हमने दो विषयों में लाकर सीमित किया है।

दूसरा विषय यह है कि इसमें जो financial creditor है, उसके साथ-साथ जो operational creditor है, उनको भी हम लोगों ने insolvency के प्रोसेस में एक प्रमुख स्थान दिया है। Insolvent professionals चाहे वे Chartered Accountants हों, चाहे Cost Accountants हों, चाहे Lawyers हों, चाहे Company Secretaries हों, ये सब लोग एक insolvency professional agency के नाते काम कर सकते हैं। जो ज्वाइंट सेलेक्ट कमेटी बनी है, उन्होंने यह तय किया कि जो insolvent professionals हैं, इनके मानक और स्टैण्डर्ड क्या होने चाहिए, इसको एक स्वायत्त insolvency board तय करेगा। यह बोर्ड यह तय करेगा कि जो insolvent professionals होंगे, इनके मानक क्या होने चाहिए। अगर अभी डीआरटी का भी विश्लेषण किया जाएगा, कंपनी के liquidation process से संबंधित जितने भी केसेज चल रहे हैं, अगर उनका भी विश्लेषण किया जाएगा, तो यह पता चलेगा कि इन सारी प्रक्रियाओं में 5 साल, 6 साल, 8 साल, 10 साल से लगातार विषय चलते हैं। ऐसे में बाजार में पूंजी देने का जो जोखिम उठाना चाहते हैं, उनको पता है कि अगर एक बार पैसा दे दिया और एक बार liquidation proceeding शुरू हो गई, बीआईएफआर का प्रोसेस शुरू हो गया, तो सात-आठ साल तक कुछ होना नहीं है और दूसरा व्यक्ति जो पैसा लेकर बैठा है, वह उसको enjoy करेगा।

इसमें 180 दिन की समय-सीमा तय की गई है और उसमें भी जो creditors हैं, उनकी जो कमेटी है, वह 90 दिन का, authority की परिमिशन के साथ एक्सटेंशन कर सकती है। जो fresh start-ups हैं, उनके लिए 90 दिन की समय-सीमा तय की गई है। ऐसा करते समय कमेटी ने अपनी रिपोर्ट में जो सजेस्ट किया है, उसके अनुसार यह है कि केवल financial creditors नहीं, बल्कि जो operational creditors हैं, भले ही वे वोट न दे सकें, लेकिन उनको भी उसकी मीटिंग में अपना पक्ष रखने का अधिकार होगा।

इस एक्ट के द्वारा एक नया मेकेनिज्म बनाया गया है। अगर आप किसी उद्योग में पैसा लगाना भी चाहते हैं, तो इस तरह का एक transparent mechanism होना चाहिए, जिसके तहत यह पता चल सके कि उनकी वित्तीय स्थिति क्या है, उनकी लेन-देन की स्थिति क्या है? इस एक्ट के माध्यम से इस तरह की transparency के लिए एक information utility service का निर्धारण किया गया है। अभी तक यह होता था कि अगर किसी recovery के केस के लिए जाते थे, तो चीजों को पंजीकृत कराने के लिए आपके सामने जो विषय रखा जाता था, इसके समाधान के लिए information utility service का प्रावधान इस बिल के माध्यम से किया गया है।

कमेटी के सामने एक विषय और आया कि हमारे यहां जो कंपनियां हैं, अगर वे विदेशों में व्यापार करते हैं, तो क्या इस कानून के अंतर्गत cross border insolvency को डील कर सकते हैं? प्राथमिक रूप से विश्वनाथन कमेटी की जो रिपोर्ट थी, उसमें यह कहा गया था कि इसको आगे चल कर डील करना चाहिए, लेकिन कमेटी ने अपने सुझाव में यह कहा कि जो cross border issue है, उसके लिए इसमें दो नए सेक्शन्स डाले जाएं और वे डाले गए हैं। अगर भारत सरकार उन देशों के साथ किसी प्रकार के समझौते में एंटर होती है, तो यह बिल cross border insolvency को भी डील करता है। माननीय उपसभाध्यक्ष महोदय, मैं यहां एक विषय विशेष रूप

से रखना चाहूँगा कि हमने अपने संविधान में प्रावधान बनाए हैं, जैसे संविधान के अनुच्छेद 84 और 173 किसी भी Member of Parliament या Member of Legislature की qualification को तय करते हैं और आर्टिकल 102 और 191 उनकी disqualification को तय करते हैं। वर्ष 1920 का जो हमारा insolvency का ऐक्ट है, उसमें disqualification के लिए undischarged insolvent लिखा हुआ है। हम देखते हैं कि जब आप अपने आर्थिक विषयों का दायित्व नहीं निभा सकते तो आप देश की जनता का प्रतिनिधित्व किस प्रकार से करेंगे? वर्ष 1999 का सुप्रीम कोर्ट का एक केस है, *Thampanoor Ravi Vs Charupara Ravi and Others*, (1999) 8 SCC, उसमें यह विषय आया कि insolvent की definition क्या तय होनी चाहिए? उस पर सुप्रीम कोर्ट ने कहा कि insolvency की जो definition है, वह वही तय होनी चाहिए, जो 1920 के insolvency code में है और उसका प्रोसेस बहुत लम्बा था। लेकिन यह जो नया ऐक्ट आया है, इसमें जो सेक्शन 79(2) है, उसमें bankrupt की definition है और 79 का जो सेक्शन 21 है, उसमें undischarged insolvent को डिफाइन किया गया है। हमारे संविधान निर्माताओं की जो इच्छा थी, उसको एक तरीके से एक स्थायी क़ानूनी परिभाषा का स्वरूप देने का काम, जो undischarged insolvent का है, वह इसके माध्यम से किया गया है। इसलिए बहुत समय न लेते हुए मैं इतना कहना चाहूँगा कि जो वर्तमान Bankruptcy Insolvency क़ानून है, इसके माध्यम से हमने सबसे पहले इस क्षेत्र के बहुत सारे क़ानूनों को unify करने का काम किया है। दूसरा, किसी भी व्यवसाय का अगर कोई failure होता है, तो उस व्यवसाय को बनाए रखने के लिए insolvent professional की व्यवस्था की जाए और अगर नहीं बन पाता है तो एक समय-सीमा के अंतर्गत उसको पूरा किया जाए। तीसरा, इसमें जो operational creditor है और उसमें से विशेष रूप से जो वर्क मैन है, उसके लिए कमिटी ने भी यह तय किया कि वर्क मैन को सबसे पहले प्राथमिकता दी जाए, ताकि अगर इस प्रकार का संकट आ रहा हो तो वह अपने श्रम का उपयोग कहीं और जाकर सही समय पर कर सके और सरकार को सबसे लास्ट में रखा है। इसलिए हमने यह एक पूरा comprehensive law बनाने का प्रयत्न किया है। हर क़ानून अपने आने वाले समय के विषयों को, अपने आने वाले समय के चैलेंजेज़ को address करता है। इस समय देश में जिस प्रकार से एनपीए हो रहा है और यह लग रहा है कि देश में पूँजी का प्रवाह रुका है, तो Ease of Doing Business के लिए, Make in India के लिए इस क़ानून के माध्यम से हम पूरे व्यावसायिक क्षेत्र को एक सुगम रास्ता प्रदान करेंगे। केवल बड़े और secure creditor को नहीं, बल्कि उसके साथ-साथ जो छोटा व्यक्ति व्यापार में लगा है, उसकी पूँजी को, उसके श्रम को हम सुरक्षा प्रदान करेंगे। इस प्रकार, हमने इस क़ानून में एक प्रकार का संतुलन बनाने का प्रयत्न किया है।

अंत में, मैं पुनः इस बात के लिए धन्यवाद देता हूँ कि Joint Select Committee ने जो unanimous report रखी, उसे सरकार ने स्वीकार किया। मैं समिति के सदस्यों, जिन्होंने पूरी मेहनत करके इस बिल को तैयार करने में अपना पूरा सहयोग प्रदान किया है, उनके प्रति भी आभार व्यक्त करता हूँ। समिति में विशेष रूप से इस सदन के हमारे अनुभवी सदस्य, आनन्द शर्मा जी, प्रफुल्ल पटेल जी, नरेश गुजराल जी थे तथा उस सदन के भी अच्छे सदस्य थे, जिन सबका मैं नाम ले सकता हूँ, लेकिन मैं सभी के प्रति इस बात का आभार व्यक्त करता हूँ कि सबने मिलकर बहुत constructive सुझाव दिए। अब मैं सभी दलों से आग्रह करता हूँ कि यह जो बिल आया है, इसको हम सब मिलकर पास करें, ताकि देश के आर्थिक सुधार के नये मार्ग पर हम जो बढ़े हैं, उस पर हम ज्यादा अच्छे तरीके से transparent mechanism को आगे बढ़ाएँ। मैं इतना ही कहकर अपनी बात समाप्त करता हूँ।

श्री नरेश अग्रवाल (उत्तर प्रदेश): माननीय उपसभाध्यक्ष जी, मैं इस बिल का समर्थन करता हूँ। जैसा अभी भुपेंद्र जी कह रहे थे, वाकई में कमिटी के जो मेम्बर्स थे, उनमें भाई आनन्द जी भी थे, उन्होंने बहुत अच्छे-अच्छे अमेंडमेंट्स दिए हैं। अगर यह पहले लागू हो जाता, तो शायद एनपीए का रेश्यो उतना न होता, जितना आज है। यह सही है कि अभी तक के जितने एक्ट्स थे, चाहे वह Debt Recovery Board हो या SARFAESI Act हो, आपने ऐसे तमाम एक्ट्स बनाए हैं, जो इसलिए बने थे कि जिन लोगों पर बकाया हो जाए, उनसे वसूली हो सके। लेकिन कहीं न कहीं लग रहा था कि लोगों को दूसरा रास्ता चुनने का मौका मिला और लोग दूसरे रास्ते से account या अपनी वसूली को बचाने में सफल हुए हैं। बहुत से मामलों में कोर्ट्स ने भी बहुत स्टे दिए। एक तो यह भी देखा जाना चाहिए। मैं देखता हूँ कि तमाम मैटर्स में डिस्ट्रिक्ट कोर्ट्स स्टे दे देती हैं। क्या डिस्ट्रिक्ट कोर्ट्स को स्टे देने का राइट है? बहुत से मामलों में मैंने देखा है कि तमाम वसूली पर डिस्ट्रिक्ट कोर्ट के सिविल जज ने स्टे दे दिया। अब सिविल जज के स्टे को उन्होंने मान लिया और उस स्टे के आधार पर वसूली नहीं की। आप कृपया यह क्लीयर कर दीजिएगा कि इसमें कौन से कोर्ट में इसकी अपील की जाएगी और इस पर किस कोर्ट का अधिकार होगा? कहीं ऐसा न हो कि कोर्ट अपने अधिकार का इस तरह से इस्तेमाल करे, आजकल वैसे भी छोटे से छोटा जज भी, जो डिस्ट्रिक्ट में पहली पोस्टिंग में आया है, वह भी अपने अधिकारों का जिस तरीके से इस्तेमाल कर रहा है, तो कहीं, जिस कारण से हम इस एक्ट को लाए हैं, इसका दुरुपयोग न हो — एक तो हमारा आपसे यह अनुरोध है।

दूसरा, हम सब मानते हैं कि एनपीए बढ़ने का कारण recession है, अर्थव्यवस्था में मंदी है। अभी तक एक बार बैंक उन्हें ओटीएस का प्रावधान करते हैं, उन्हें एक बार एनपीए एकाउंट में ओटीएस का चांस देते हैं, क्योंकि एक बार भी अगर ब्याज का पेमेंट नहीं हुआ, किश्त का नहीं हुआ तो एनपीए हो जाता है। अगर एक बार हम पूरा न कर पाए तो क्या आप दोबारा चांस देने का कोई प्रावधान करेंगे? इस देश में सिर्फ एक केस है जिसमें एक इंडस्ट्री को रिजर्व बैंक के आदेश पर दोबारा ओटीएस का मौका दिया गया, बाकी ओटीएस का प्रावधान नहीं रखा। तो आज की अर्थव्यवस्था को देखते हुए, आज की स्थिति को देखते हुए अगर कोई कम्पनी पेमेंट करना चाहती है, क्योंकि ऐसा न हो कि वे सारी इंडस्ट्रीज़ पर एनपीए की वसूली में कब्ज़ा कर लें और इंडस्ट्रीज़ एकदम बंद हो जाएं। अभी जब फाइनेंस बिल पर बहस हो रही थी तो यह बात आयी थी कि हमारी बहुत सी इंडस्ट्रीज़, चाहे आयरन की इंडस्ट्री हो, चाहे पावर की इंडस्ट्री हो, चाहे पेपर की इंडस्ट्री हो — शुगर इंडस्ट्री थोड़ी ठीक हुई है — एक-एक करके हमारे उद्योग चौपट होते जा रहे हैं। उसका कारण recession है। इसलिए यह नहीं मानना चाहिए कि हर आदमी की नीयत सिर्फ बैंक का पैसा मारने की है। कभी-कभी circumstances ऐसे होते हैं, आदमी के सामने परिस्थितियां ऐसी होती हैं। अगर कोई दूसरा मौका मांग रहा है और उसकी नीयत ठीक है तो आप उसको दूसरा मौका देंगे या नहीं देंगे? अगर उसे दूसरा चांस मिल जाए तो बहुत अच्छा है। इसको आप देख लीजिए कि आप ऐसा कर सकते हैं या नहीं कर सकते हैं। इसके अतिरिक्त जो आपके पीएसयूज़ हैं — जैसे एयर इंडिया है, उस पर बहुत ज्यादा बकाया हो गया है और दिन-प्रतिदिन एयर इंडिया की स्थिति खराब होती चली जा रही है — यह एक्ट उन पीएसयूज़ पर भी लागू होगा या नहीं होगा, क्योंकि उनका एनपीए तो बहुत बढ़ता चला जा रहा है। मैंने उदाहरण के लिए उसके बारे में कहा है। आपके बहुत से पीएसयूज़ हैं, जिन पर बैंक का बहुत पैसा बाकी है, लेकिन वे एनपीए में चले गए, वह पीएसयू है, बैंक की गारंटी है तो बैंक उन पर

तो कार्यवाही नहीं करते हैं, लेकिन प्राइवेट सेक्टर में बैंक कार्यवाही करते हैं। मेरा तो कहना है कि जब से कम्युनिस्ट सिस्टम आया था और ये अंडरटेकिंग्स बनीं, तब से देश की अर्थव्यवस्था खराब हुई, अच्छी नहीं हुई। मेरा आज भी यह मानना है कि सरकार का काम व्यापार करना नहीं है, सरकार का काम जनता के हित में निर्णय लेना है, लेकिन यह नया ट्रेंड चल गया कि इतने corporations बन गए। हर व्यापार सरकार करने लगी, दाल बेचनी है तो सरकार बेचेगी, तेल बेचना है तो सरकार बेचेगी, एयरलाइन्स चलानी हैं तो सरकार चलाएगी। ...**(समय की घंटी)**... सर, मैं खत्म कर रहा हूँ, मैं ज्यादा नहीं बोलूंगा। मैं जानना चाहूंगा कि उन पीएसयूज के बारे में आपका क्या कहना है और guarantors की क्या स्थिति होगी? जो guarantors हैं, उनकी liability कितनी है? जितनी पहले थी, उतनी है या कुछ बढ़ी है? यह बात भी स्पष्ट हो जानी चाहिए। इसके अतिरिक्त वसूली में पहले देय किसका होगा? ऐसा न हो कि वसूली हो और लेबर, छोटे बकाएदार, उन सबका पैसा उन्हें मिले या न मिले, सबसे पहले बैंक अपना पैसा ले लें। कम से कम यह होना चाहिए कि जब वसूली हो तो उस वसूली में first priority उन छोटे लोगों की होनी चाहिए, जिनकी आर्थिक स्थिति खराब है और लास्ट में बैंक्स को पैसा जाना चाहिए। इन सुझावों के साथ मैं इस बिल का समर्थन करता हूँ, धन्यवाद।

SHRI VIVEK GUPTA (West Bengal): Sir, thank you for this opportunity. I don't have a lot to say. I just have a few clarifications to seek, through you, from the hon. Minister. I wish to seek because I could not find these in the Bill. If he could clarify this while replying to the debate or if he could send it later, I appreciate it.

The first one is about the misuse of data. Due to insolvency a lot of data will be exchanged between intermediaries. But, there is nothing which prevents the misuse of data. So, I hope he clarifies or specify or address it.

The second one is: Does he plan to increase the judicial infrastructure? I am saying this because this will, no doubt, put some more load. It is already said and, according to the latest statistics, we are having more than 75,000 cases pending in various Debt Recovery Tribunals. And, this number has increased in the last 2-3 years. So, I just want a clarification on that point.

Another point is about cooperation among financial institutions to identify repeat willful defaulters. We all know that we have a body called SIBIL. So, it is not that the bankruptcy law should be giving protection or coming to the aid of person who repeatedly wants to bankrupt. So, there should be some safeguard against a person who wants to go bankrupt every time.

Sir, there is an interesting concept that has been introduced and it is called Insolvency Professionals and Agencies. There is a lot of freedom given to a lot of people to act as agencies. But, there is nothing mentioned whether Insolvency Professional can jump over from one agency to the other. So, how crossing over of an IP between agencies is handled?

[Shri Vivek Gupta]

I hope that there is some synchronization with foreign laws when there are cross border insolvencies involved.

Lastly, I have a very serious question to ask. And, I would like to draw the attention of the hon. Minister, through you, to clause 140(2) which says that a bankrupt shall be disqualified from being elected to any public office where appointment to such an office is by election or being elected or sitting or voting as a member of any local authority. Sir, here, there is no mention or clarification whether it applies to sitting Members. Sir, we all know, till last week, we were faced with an issue where a sitting Member was a fit case for this. So, we don't know whether an elected Member will be covered under this Act. This talks about the future laws; it does not talk about the existing laws.

With these observations, I wish to congratulate the hon. Minister for bringing this Bill.

श्री वीर सिंह (उत्तर प्रदेश): उपसभाध्यक्ष महोदय, मैं दिवाला और शोधन अक्षमता संहिता, 2016 पर बोलने के लिए बहुजन समाज पार्टी की तरफ से खड़ा हुआ हूँ। यह विधेयक कॉर्पोरेट व्यक्तियों, भागीदारी फर्मों के पुनर्गठन और दिवाला समाधान से संबंधित विधियों को समयबद्ध तरीके से ऐसे व्यक्तियों की अस्तियों के मूल्य को अधिकतम करने, उद्यमशीलता को बढ़ाने तथा सभी पणधारियों के हितों की रक्षा करने और दिवाला और शोधन अक्षमता निधि स्थापित करने के लिए लाया गया है।

उपसभाध्यक्ष महोदय, यह विधेयक एक प्रभावी विधिक ढांचे का निर्माण और बाजारों के विकास में सहायता एवं उद्यमशीलता के विकास को गतिमान करने में सहायक सिद्ध होगा। साथ ही साथ यह कारोबार करने की सरलता में भी सुधार करेगा, जिससे उच्चतर आर्थिक विकास दर प्राप्त की जा सकती है। मैं इस विधेयक का समर्थन करते हुए माननीय मंत्री जी को अपने कुछ सुझाव देना चाहता हूँ। भारत में दिवालियेपन से निपटने का कोई कानून नहीं है। व्यक्तियों का दिवालियापन तो सन् 1909 के प्रेसिडेंसी इन्सॉल्वेंसी टाउन्स ऐक्ट और प्रोविंशियल इन्सॉल्वेंसी ऐक्ट, 1920 के तहत आता है, लेकिन कम्पनियों के दिवालियेपन के मामले उच्च न्यायालय द्वारा कम्पनी अधिनियम के तहत निपटाए जाते हैं, जबकि इसके समानान्तर हमारे यहां एक सिक इंडस्ट्रियल कम्पनीज ऐक्ट, 1985, रिकवरी ऑफ डेट ड्यू टू बैंक एंड फाइनेंशियल इंस्टीट्यूशन ऐक्ट, 1993 और सिक्युरिटीज ऐजेंशन एंड रिकंस्ट्रक्शन ऑफ फाइनेंशियल ऐसेट्स एंड एन्फोर्समेंट ऑफ सिक्युरिटी इंटरेस्ट ऐक्ट, 2002 (सरफेसी) हैं। इनमें से आखिरी दो कानून तो बैंकों की मदद के लिए उस समय बनाए गए जब फंसा हुआ कर्ज, उनके लिए बहुत बड़ी समस्या बन चुका था, लेकिन इसका अर्थ यह भी हुआ कि कम्पनी लॉ बोर्ड, द बोर्ड फॉर इंडस्ट्रियल एंड फाइनेंशियल रिकंस्ट्रक्शन (बीआईएफआर) और डेट रिकवरी ट्रिब्यूनल (डीआरटी) के रूप में चार अलग-अलग एजेंसियां फंसे हुए कर्ज से निपटने के काम में लग गईं। इसकी वजह से देरी और भ्रष्टाचार की शुरुआत हुई। बैंकों और नियामकों ने गलत तरीके से और अपनी सुविधा के मुताबिक इन एजेंसियों और अपर्याप्त कानूनों की मदद से यह स्पष्ट करने की कोशिश की है कि आखिर क्यों सरकारी

बैंकों के फंसे हुए कर्ज ज्यादा हैं? दिवाला विधेयक के तहत दिवालियेपन को 180 दिनों के अंदर निपटाना होगा। दिवाला कानून का सबसे अधिक फायदा सरकारी बैंकों के अंशधारकों को मिलेगा।

महोदय, सरकारी बैंकों का अर्थव्यवस्था पर दबदबा है, लेकिन शीर्ष तीन फंसे कर्ज वाले खातों की राशि करीब 90,000 करोड़ रुपए है। यह सकल फंसे हुए कर्ज का 36 फीसदी है। एक अनुमान के मुताबिक सरकारी बैंकों को वर्ष 2018 तक 2.4 लाख करोड़ रुपए की पूंजी की आवश्यकता है, तभी वह बेसल 3 मानकों को पूरा कर पाएगा। आर.बी.आई. गवर्नर और कुछ अन्य बैंकरों ने आरोप लगाया है कि दिवाला कानून की कमी के चलते फंसे हुए कर्ज का दबाव बढ़ा है। ऐसे में प्रश्न यह उठता है कि आखिर निजी क्षेत्र के बैंकों पर दिवाला कानून की कमी का प्रभाव क्यों नहीं पड़ता? ...**(समय की घंटी)**... सरकारी बैंकों का फंसा हुआ कर्ज उनके कुल कर्ज का 5 फीसदी है, जबकि निजी क्षेत्र के बैंकों में यह महज़ 1.5 फीसदी है। यह स्पष्ट है कि फंसे हुए कर्ज की एक बड़ी वजह भ्रष्टाचार भी है। इसके अलावा राजनेताओं का हस्तक्षेप, फंसा हुआ कर्ज और नियामकीय विफलताएं भी इसके लिए जिम्मेदार हैं।

मेरी नज़र में सबसे बड़ा मसला यह है कि मौजूदा कानूनों में से कोई समाप्त नहीं किया जा रहा है। कुछ लोगों ने विनम्रतापूर्वक यह सुझाव दिया है कि इन कानूनों की सीमा और इनके एक दूसरे को प्रभावित करने वाले प्रावधानों का स्पष्ट सीमांकन होना चाहिए। ऐसा इसलिए है, ताकि किसी तरह का विवाद पैदा न हो। स्पष्ट है कि अगर इन कानूनों को समाप्त नहीं किया गया, तो हम और बड़ी दिक्कत में पड़ सकते हैं।**(समय की घंटी)**....

महोदय, सिर्फ आधा मिनट। मेरा सुझाव है कि जो बड़े-बड़े व्यापारी और उद्योगपति हैं, उन पर करोड़ों रुपए का कर्ज होता है। उन पर कोई कानूनी कार्रवाई नहीं की जाती, उनपर कोई शिकंजा नहीं कसा जाता और जो छोटे-छोटे उद्यमी होते हैं तथा जो छोटे-छोटे कारोबार करते हैं, लघु उद्योग चलते हैं, पशुपालन का काम करते हैं, मुर्गीपालन का काम करते हैं, उन पर कर्ज पचास हजार, एक लाख या दो लाख होता है, तो उनको जेल में डाल दिया जाता है। तहसीलदार कुर्की करने के लिए पहुंच जाता है। जैसा व्यवहार छोटे उद्यमियों के साथ किया जाता है, वैसा ही व्यवहार उद्योगपतियों के साथ भी किया जाना चाहिए। जब कोई उद्योग लगता है, जैसे चीनी मिल है, जब चीनी मिल मालिक दिवालिया हो जाता है, तो उससे तो वसूली की जाती है, किन्तु जो कच्चा माल... जैसा कि किसानों का आता है, तो किसानों को पैसा मिलता नहीं है, इसलिए इसका भी प्रोविज़न होना चाहिए कि बीच में जो मज़दूर हैं, किसान हैं या जो बीच के लोग कच्चा माल सप्लाय करते हैं, उनका पैसा मारा जाता है। इसलिए इस कानून में यह प्रावधान होना चाहिए, यही मेरा सुझाव है, धन्यवाद।

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Now, Shri Tapan Kumar Sen. You have only two minutes but I have been told to give you double the time. So, you have four minutes.

SHRI TAPAN KUMAR SEN: Sir, regarding time, I have already made my...
...(Interruptions)...

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): I don't want to argue with you.

SHRI TAPAN KUMAR SEN: I also don't want to argue with you.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Please carry on instead of wasting your time on argument.

SHRI TAPAN KUMAR SEN: Sir, I can only assure you that I will only raise relevant points and finish as quickly as possible.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Not long ones, Okay.

SHRI TAPAN KUMAR SEN (West Bengal): But, there are certain points which I think need to be raised and have not yet been raised by my other colleagues who have spoken on the Bill. At the outset, let me tell you that I give much importance to what Shri Anand Sharma said that while addressing the insolvency and bankruptcy, the prospect of revival also should be seriously exercised upon. That is also a very important thing and for that the institutions in our country are badly in deficit like we have the sick industries. That needs to be addressed very seriously. Let me cite a quick example of Indian Cables. I will cite examples only of private sector because public sector may create irritation to some people. That may not be good for the country. The Government has no business to go into that. So, I am not going into that. Indian Cables, it has been lying sick for more than two decades. Still, it is having production units and estate resources in three States. Some 1300 workers are there. It is going on in the BIFR. Finally, after a lot of litigation it came to a stage when TATA and other industries came forward to take it over. Ultimately, the BIFR decided in favour of TATA. Thereafter, again there was some litigation. Now we have landed up in a situation where BIFR is now to take a final call. Everything is ready. It is more than a year, almost. The case is languishing because BIFR is not having a Presiding Officer. I wrote at least thrice. Nobody is there to take the call. So, you want to revive the manufacturing sector in the background of your 'Make in India' slogan. But, if these things go unattended, then ultimately it does not give you the desired results. That aspect needs to be taken into consideration. For that, the institutions which have already been created have to be properly strengthened. There should be regular filling up of the vacant positions Presiding Officer and other supporting staff. That needs to be taken care of so that the things are speeded up and revival is made possible.

Secondly, so far as realization of the dues of stakeholders in otherwise insolvent, bankrupt or going to be closed companies, is concerned, a rare situation has developed. The Joint Committee has done a wonderful job. The Bill's original content has been made much better. There were so many loopholes and those have been tried to be filled up. In one aspect, care has been taken. What is it? Among

other dues, the workers' dues are given the same status — of not only the secured creditors but also of the workers. The workers' dues are to be given equal primacy when the dues clearance situation of different stakeholders arises. It is rightly taken up. But, I think, so far as the dues of workers *vis-à-vis* the other stakeholders are concerned, there is a lack of comprehension of the problem. I don't understand why. The Joint Committee has rightly recommended to improve it. But why two years? The workman's dues in Clause 53(1)(a), (b) and (c), the suggestions are made to change. The Government has accepted that. The workmen's dues for the period of 24 months preceding the liquidation commencement date is mentioned. Then it is said that other creditors, whatever their dues from the company, are recovered, etc., etc. Why 24 months? You must appreciate the fact that a company does not turn insolvent or bankrupt or sick just in one day, all of a sudden. It happens in a process. In this process, the first victims are the workers. Their statutory dues are not being paid to the concerned authority. ...(*Time-bell rings*)...

Sir, I have to make my point. Please allow me to quickly finish. I am not adding any flesh. I am just trying to place things straight. Sir, when an industry starts getting sick, the first victim is the workers. Their statutory dues are not being paid although the statutory dues are deducted from their salaries in terms of PF, ESI and others. The people are retiring, not getting their statutory dues. It starts. Till that time, it was not officially considered, that to be insolvent, it will have to go through the liquidation process. It carried on. Then, at some point of time, certain agency decides that it should go on liquidation process. The High Court appoints a liquidator, etc. Then, the liquidation process starts. You are wanting now to straighten that process. In that event, two years from the date of liquidation, the time to clear the dues of the workers is absolutely unjust. Please note that so far as other stakeholders are concerned, if the bank dues are not paid, that night bankers don't go on starvation. But, a worker, if he does not get one month's salary, he goes on starving and his children's education stops. For the entire family, it is disastrous. Twenty per cent of the registered factories are closed today. ...(*Time-bell rings*)...

Please, Sir, I am just completing. I have not uttered even a single word extra.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Please finish early.

SHRI TAPAN KUMAR SEN: Twenty per cent of the registered factories are closed today. Please think about the fate of those workers. The whole family gets destroyed. Similarly, for the workers, why is it for two years? Why aren't the entire dues of the workers, their legal and legitimate dues? Workers' due becomes due only after they give their labour. That is their earned due. It is not some other kind of due. I request and urge upon the Minister, in this area, I think, the entire legitimate

[Shri Tapan Kumar Sen]

earned dues of the workers, including the statutory dues, must be included. Let me just cite two examples. Again, one from the public sector and one from the private sector. First is, Tyre Corporation of India. It is a public sector company. The liquidation was ordered. For the last 43 months, the workers are not getting their salary. At least, hundred more workers retired, but not got their statutory dues. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): If you start looking at me, then it will be better. ...*(Interruptions)*... Start looking at me. ...*(Interruptions)*... Then it will be better. ...*(Interruptions)*... You also know that.

SHRI TAPAN KUMAR SEN: Sir, I am, actually, trying to impress upon the Finance Minister. ...*(Interruptions)*... Okay; thank you. So, they are not getting their statutory dues. Even they retired, but, they did not get their statutory dues. For the last 43 months, the workers are not getting their salary. The High Court which has ordered the liquidation, the same High Court ordered the Government, the Industry Ministry in this matter, to sanction ₹ 1,065 crores in January, 2016, for salary payment of the workers. But the Government has not yet complied with. I wrote thrice to the Minister, but, there was no response. So it clearly depicts that the workers' problem is not really realised by you people. That is why you allow like this.

Another interesting example is of Daewoo Motors company. Fourteen years ago the liquidation was ordered. The official liquidator was appointed in July, 2004. Hon. Finance Minister, I want to draw your attention that the official liquidator was appointed in July, 2004. In the meantime, the Bombay Debt Recovery Tribunal has seized some of the assets of that company and when the official liquidator is asking that I am to settle the dues of the workers — 1,400 workers are there in the roll — through Calcutta High Court, they have been ordered that you should not interfere in the assets of the company, which is at the charge of the Debt Recovery Tribunal. During the last fourteen years, they wrote to all concerned of both the Governments, knocked every door, still they have not got the justice. So, that is why, I think that the primacy of the workers' dues has to be duly understood. I urge upon you, so far as this Bill is concerned, all legitimate earned dues of the workers, including statutory dues, should be included, instead of just putting two years' dues. You are not giving them anything just as presentation or some token help. They are only asking for whatever they have legitimately earned by their labour; whatever they have legitimately saved through deduction from their salary, they want those dues. Their equal rights have to be settled while clearing the dues of other stakeholders. I urge that this should be included. The hon. Minister should consider it as this two years' business reflects complete lack of understanding of the real problem of the

workers, who are the worst victims when a company goes insolvent and bankrupt. Others could manage from here and there, but they are the worst victims. So they are to be taken care of. Thank you, Sir.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Shri Bhupinder Singh.

श्री मुख्तार अब्बास नक़वी: सर, वैसे तो अभी हमें लगता है कि इस बिल पर discussion जल्दी ही खत्म हो जाएगा, लेकिन फिर भी एमपीज़ और स्टाफ के लिए जलपान और भोजन की व्यवस्था की गई है। यह व्यवस्था एमपीज़ के लिए सेंट्रल हॉल कैटीन में है और स्टाफ के लिए रूम नं. 73 में है।

उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): भूपिंदर जी, आपके पास दो मिनट का समय है, लेकिन आप कितने मिनट समय लेना चाहते हैं, आप मुझे पहले से बता दीजिए, तो मैं घंटी भी नहीं बजाऊंगा। आप मुझे वैसे ही बता दीजिए। ...**(व्यवधान)**... आप चार मिनट ले लीजिए। ...**(व्यवधान)**... आप उनसे बात मत कीजिए। Okay, carry on.

श्री भूपिंदर सिंह (ओडिशा) : सर, आज 'The Insolvency and Bankruptcy Code, 2016' बिल लाया गया and we are going to pass this bill. I think, इसके ऊपर तो कोई अमेंडमेंट नहीं आया है।

सर, कुछ बोलने से पहले मैं हाउस को कुछ बताना चाहता हूं। जैसा कि काफी सदस्यों ने कहा कि जो सबसे गरीब तबका है, वह इससे प्रभावित होता है। जब फाइनेंस बिल पास किया गया, तो मंत्री जी ने यहां कहा कि अगर अच्छा मानसून होगा, तो हमारी आर्थिक अवस्था बढ़ेगी, because our economy is based on agriculture. उसी किसान के बारे में मैंने यहां आपसे बात भी की थी और आपने कोशिश भी की थी। यहां हमारे ऑनरेबल एमओएस बैठे हुए हैं। इसमें किसान की कोई गलती नहीं थी, इसमें एफसीआई और स्टेट बैंक ऑफ पटियाला, इन दोनों की गलती थी। इनके द्वारा किसान से 4 प्रतिशत इंटरेस्ट की जगह 11 प्रतिशत इंटरेस्ट लिया गया और दस साल के बाद उसको बताया गया कि आपको 11 प्रतिशत इंटरेस्ट रेट के हिसाब से अढ़ाई लाख रुपया देना है। यह कह देने के दस साल के बाद फिर से उनको 11 लाख के ओटीएस के लिए बुलाया गया और कहा गया कि 11 लाख रुपया दो। वह 11 लाख रुपया देने के लिए भी तैयार हुआ, लेकिन उसके बाद बैंक ने उससे फिर से बात भी नहीं की और फिर उसके भी दस साल के बाद वह बैंक बोला कि आपको अब दो करोड़ रुपया देना पड़ेगा। यहां पासवान जी ने कहा कि हम इसको एक मिनट में डिस्पोज़ ऑफ करेंगे और सिन्हा साहब ने भी इसको फील किया था कि यह बहुत जस्टिफाइड केस है, लेकिन इससे भी उसका समाधान नहीं हुआ। मैं आपसे पूछना चाहता हूं कि बैंकर्स की एकाउंटेबिलिटी क्यों नहीं है? इस बिल के ऊपर बैंकर्स की क्या एकाउंटेबिलिटी है? जो एनपीए हो जाता है, एनपीए होने के बाद उसके ओटीएस का जो प्रावधान है, जैसा अभी माननीय सदस्यों ने कहा, उस ओटीएस के लिए उनको बुलाया गया। ओटीएस के लिए राजी होने के बाद भी यह काम नहीं किया गया।

सर, यह बड़े दुःख की बात है कि जो बेचारे किसान हैं, छोटे और लघु उद्योगी हैं, उनके ऊपर केस होता है। यहां जिस बात पर चर्चा चल रही है कि ऐसे कौन से दस परिवार हैं, जिन घरानों के पास आज भी बैंकों का 13 लाख करोड़ रुपया पड़ा है, and that 13 lakh crores is

[श्री भूपिंदर सिंह]

public fund. वह रुपया public exchequer से गया है। यह हो सकता है कि 3 प्रतिशत लोग इन्कम टैक्स देते हैं, लेकिन सेस के नाम पर पूरा देश टैक्स देता है। इस देश का गरीब से गरीब आदमी भी साबुन, तेल, कपड़ा खरीदता है, जिस पर सेस लगाया जाता है। इसके नाम पर जनता 126 करोड़ रुपये का टैक्स देती है, सेस देती है। उसका पैसा bankruptcy की तरफ गया और आज यहां इसके ऊपर चर्चा करने के लिए सिर्फ एक घंटे की चर्चा करने की बात हुई।

यह सही है कि इस पर जेपीसी में बहुत काम किया गया है, लेकिन उसके बाद भी हमें इसके बारे में पता होना चाहिए। इस पर मैंने सवाल भी पूछा था और accountability on the bankers के ऊपर मेरा अनस्टार्ड क्वेश्चन था कि जिसकी गलती होती है, उसके ऊपर कोई जवाबदेही आती। यही सवाल मैंने यहां पर पूछा था। रिजर्व बैंक को टिप्स देने की बात आती है, लेकिन किसको कितने टिप्स की जरूरत है, इस पर तो पहले से ही कितने ऐक्ट बने हुए हैं, लेकिन ऐसी क्या समस्या आ गई, जिसके कारण आज भी हम उनसे रिकवरी नहीं कर पा रहे हैं? यह बात सही है और इस बात पर मैं दूसरे सदस्यों के साथ सहमत हूँ, क्योंकि हम नेगेटिव साइड की तरफ नहीं जाना चाहते हैं। हम पॉजिटिव साइड की तरफ चलें। जिनको हजार-हजार करोड़ रुपये दिए गए, उस bankruptcy को बैंकों ने क्यों नहीं देखा? क्या इस बिल में इस चीज का कुछ प्रावधान है कि उनके ऊपर कुछ ऐक्शन लिया जाएगा या उन लोगों की रिस्पॉसिबिलिटी फिक्स की जाएगी? क्या उनकी जांच करने के लिए कोई भी व्यवस्था इस बिल में दी गई है? सारा देश हमारी बात को सुन रहा है, जिन गरीब लोगों के घर बैंक वाले जाकर पहुंच जाते हैं, उनकी दुआएं कैसे लगेगी, यह भी हमें सोचना चाहिए। उनके लिए इस बिल में क्या प्रावधान किया गया है? सर, मैं उम्मीद करूंगा कि मंत्री महोदय कम से कम यह बताएं कि आने वाले दिनों में जिन इंडस्ट्रीज़ को रिवाइव कर सकते हैं, उनकी संख्या क्या है? उसके ऊपर क्या कोशिश की गई है? हम नहीं चाहते कि देश में sick units की संख्या बढ़ती जाए। तो इस देश की तरक्की कैसे होगी, रोजगार की जो बात है, तो रोजगार कहां मिलेगा? जो लोग वहां employed हैं, सबसे पहले उनका इंटरेस्ट देखना चाहिए। जिस किसान का उसमें raw-material लगा है, जिस इंडस्ट्री में, जो agro-based, agriculture-based industries हैं, sugar की हों या food processing की हों, जो भी युनिट्स हैं, उनका पैसा उनको पहले कैसे दिलाया जाए, ...**(समय की घंटी)**... इसके लिए इसमें क्या प्रावधान है? यह जो 90 days और 180 days की बात है, तो इसके बारे में क्या हम यह समझ लें कि 180 days में इसका फैसला हो जाएगा और इसके बाद फिर एक छोटे से कोर्ट से लेकर apex court तक ये मामले 20 साल तक पेंडिंग होकर न पड़े रहें? अगर इसमें ऐसा कोई प्रावधान नहीं किया गया है, तो आप इसमें जब rules frame करेंगे, तो क्या उन rules के अन्दर ऐसा कोई प्रावधान डाल सकते हैं? मैं यह उम्मीद करूंगा कि मंत्री जी यह भी बताएँगे, धन्यवाद।

SHRI PALVAI GOVARDHAN REDDY (Telangana): I support the views expressed by the hon. Member Shri Bhupender Singh.

THE VICE-CHAIRMAN (SHRI V. P. SINGH BADNORE): Shri Anil Desai – not present. Prof. M. V. Rajeev Gowda. ...*(Interruptions)*... Prof. Gowda, how many minutes do you want?

PROF. M. V. RAJEEV GOWDA (Karnataka): Five minutes, Sir. ...(*Interruptions*)... There will be no word out of place, I assure you.

Sir, the great economist Joseph Schumpeter talked about 'creative destruction' in the economy. When a company thinks that its technology is dominating and it has a monopoly, at that very moment some other innovation will come up which will change the game, drive that company out of business, and take over the market. For example, Kodak had its moment. But, today, we all know that with cameras in cell phones, we do not have that kind of a camera industry any more. So, this is the order of things. And, entrepreneurs know that. They know that they are taking a risk. There is a chance of success. There is a chance of failure as well. In the Silicon Valley, they have certainly learnt how to deal with failure. It is something that they appreciate. They say, some company may have started and it may not succeed. They give an opportunity to pick up and start all over again. And, it is not fear of a taint or something that damns a particular entrepreneur. So, we need to create an environment where companies can close down, where entrepreneurs can pick up and start new innovations, new businesses, as they move forward.

In India, Sir, the situation is a little more complicated by our history. We have a long tradition of promoters who have siphoned off money from companies; who have inflated projected costs and make the bank pay most of the money for that. And, then, essentially, walk away and leave the bank in the lurch; leave the labour in the lurch, and create a real mess for everybody for years and years to come. We needed a mechanism to resolve these kinds of issues. And, this Code is a wonderful step in the direction of essentially dealing with bankruptcy and insolvency in a manner that will enable the economy to pick up and move forward once again.

(MR. DEPUTY CHAIRMAN *in the Chair*.)

But, Sir, as the title of the Bill itself says, it focuses purely on bankruptcy and insolvency and has very, very little emphasis on turn around. This is what Mr. Tapan Kumar Sen was talking about, that is, revival. There is not enough emphasis on this.

Now, I just want to bring a variety of points to the attention of the hon. Minister on the issues that must be addressed. The very first dimension is the one about expertise. Where are the turn-around specialists in our economy, whose expertise could be drawn upon to help companies revive themselves? We do not have enough. And, that is a real challenge.

Similarly, when we talk about insolvency professionals, we will be needing in significant numbers. And, the other kinds of organizations are also going to be required. It is not going to happen overnight. We are going to require huge amount

[Prof. M. V. Rajeev Gowda]

of focused efforts on the part of the Government, along with business schools, along with industry bodies, to ensure that we have the personnel who can actually come forward and help make these plans an actual reality.

Then, there is one more clause. When we talk about performance bonds for the professional groups, which are going to be involved in this entire process, the amounts required for those performance bonds are enormous. And, professionals would not be able to raise those amounts. Something needs to be done to ensure that these kinds of organizations are not disincentivised from coming and participating in this very, very crucial sector of the economy. As I talk about performance bonds and money, it brings me to the finance dimension. We need debt and we need the ability to leverage in order to help company's turnaround. In the absence of a deep bond market in this country, where are such funds going to come from?

The third dimension, that is a challenge, is a regulatory dimension. Many of the professionals that are going to be involved in this, say, people like Chartered Accountants, have a different set of professional rules and responsibilities which may conflict with the role that they are expected to play in this particular domain. What rules are you going to frame? How are you going to structure some kind of a compatibility between these professional norms and the kinds of obligations they have here?

An even more important dimension is the strategic and gaming dimension. It is entirely possible that competitors or even in the case of political witch-hunts, when a company is going through a bad patch, some other company will induce creditors to try and initiate a bankruptcy proceeding. This is something to be watched out for. The moment even a hint is given out or an information is leaked, that can prove devastating to a company's financial strength, to its health and to its ability to survive and cope.

Sir, there are other dimensions. The CAG dimension, always looking over the shoulder of bankers, in such a case ...(*Time-bell rings*)... I am not wasting any moment, Sir. Give me a moment. In such a case, which banker will agree to a distress sale and to a much lower settlement amount when they are faced with the risk of being questioned much later?

There is also a time constraint. While it is a very good thing from the point of view of settling and moving on, it also creates a situation where you are not providing enough time for other solutions. It is going to result in fire sales. The residual value in companies may not be fully captured and, maybe, just real assets may be captured. A lot of the intangible assets, the organisational capital — all

these sorts of aspects will not be addressed, will be undervalued and let go. There are two, three other points. I will make them very quickly.

Sir, now I come to the international aspects. There is a UN Commission on International Trade Law.

MR. DEPUTY CHAIRMAN: Your time is over.

PROF. M. V. RAJEEV GOWDA: I know that, Sir. But this Bill has to be improved. That is my job. I am doing that. Let me do it. A lot of international disputes exist. Companies operate in multiple countries. So, if we use their model law on cross-border insolvency, where India becomes the center for main interest and the central jurisdiction, you will be in a position to, actually, work with 42 other countries and ensure that these international disputes will be resolved. Please add this into the rules.

There is one more concern I have. A lot of promoters fearing bankruptcy may siphon off assets, may sell off assets. Now, whichever insolvency professionals go in afterwards need to be empowered with rules, with court authority, or whatever, to get the money or the assets that were sold off back to ensure that those are a part of this package when the actual settlement takes place.

Finally, I don't know what the game is during the transition phase. There is a SARFAESI Act, there are Joint Lending Forums, and there are so many other forums which can be shopped at the current moment. How are you going to ensure that this particular law is going to take precedence over the rest? ...(*Time-bell rings*)...

MR. DEPUTY CHAIRMAN: Okay.

PROF. M. V. RAJEEV GOWDA: We all know that this kind of an Act is vitally needed. There has been a lot of mess in the system. When they come for a loan, they come in a Maruti 800. When they come to file bankruptcy, they come in a BMW. ...(*Time-bell rings*)... So, these are all the issues that we need to take account of. Let me point out that this is a very good move. It reminds me of Dr. Manmohan Singh's SEBI Act, which was also a very, very crucial, foundational Act in terms of financial infrastructure of this country. So, I do hope that this Bill will work, as we understand, with the suggestions that we have all made in the course of this debate. Thank you, Sir.

MR. DEPUTY CHAIRMAN: Okay. Thank you.

SHRI MADHUSUDAN MISTRY (Gujarat): Sir, I have a point of order.

MR. DEPUTY CHAIRMAN: Point of order!

SHRI MADHUSUDAN MISTRY: I just request the Chair that please ask these Members not to talk; stop the Members from going there and talking to the gallery officials. I think gallery people should also avoid talking to the Members directly. The Ministers can speak; we have no problem.

MR. DEPUTY CHAIRMAN: Yes, that is correct. Members should not go.

SHRI MADHUSUDAN MISTRY: So, kindly see to it that a direction is passed.

SHRI JAIRAM RAMESH (Andhra Pradesh): Sir, I have a small query.

MR. DEPUTY CHAIRMAN: Yes.

SHRI JAIRAM RAMESH: Sir, there are two small queries. One, what happens to SICA? What happens to SARFAESI? And, what happens to the DRT Act once this Code comes into place? I just want some clarity on that. And, second, what is the essential difference between the Chapter 11 process and the Code that you are bringing about? I just want to understand what the essence is because I presume that the template has been the Chapter 11 bankruptcy proceedings. I would like to know what the essential difference between these two is.

MR. DEPUTY CHAIRMAN: Okay. Now, the hon. Minister.

THE MINISTER OF FINANCE; THE MINISTER OF CORPORATE AFFAIRS AND THE MINISTER OF INFORMATION AND BROADCASTING (SHRI ARUN JAITLEY): My learned friend and colleague Mr. Sinha will take care of the major issues which the hon. Member has raised. SICA will eventually go. That is the first thing. SARFAESI will have to be amended and brought in line with the changed provisions of the bankruptcy law. There are some changes which are required to be done. I have introduced those changes in the Lok Sabha today and have it referred to the Joint Committee, and that is why I insisted that the same Joint Committee should look at it because they have dealt with this Act.

As far as the DRT is concerned, there is a jurisdiction that DRT will have because the jurisdiction with regard to insolvency will be with the Company Law Tribunals which are created for that purpose. DRT will remain with regard to recovery proceedings and with regard to those individual insolvencies, the DRTs would have jurisdiction. Now, the problem with DRTs is that there is an adequate infrastructure. It almost functions like a civil court, takes a lot more time. So, today, to the DRT legislation also, I have introduced amendments in the Lok Sabha and referred to the same Committee, and the entire procedure of DRT is also being altered, and in the altered position, a large part of the DRT proceedings will now go on-line so that

there will be limited hearings itself. Now, with regard to your last query that how is it comparable to the Chapter 11, Mr. Jayant will tell you about it.

SHRI JAIRAM RAMESH: You said, SICA will be phased out. Are you thinking of a five-year time frame?

SHRI ARUN JAITLEY: No, no, it will be phased out immediately. There will be a period given under which the SICA complaint will have to be brought before this new forum.

SHRI JAIRAM RAMESH: So, the SICA cases will automatically transmit themselves into the new mechanism. Is that the process that you are contemplating?

SHRI ARUN JAITLEY: One of the differences between your Chapter 11 and this is that in Chapter 11, the debtor continues to be in possession. Here the creditors will be in possession. Now, the SICA is being phased out, and I will tell you one of the reasons why SICA didn't function. Under SICA, the predominant experience has been this, and that is why a decision was taken way back in 2002 to repeal SICA when the original Company Law amendments were passed. Now since they were challenged before the Supreme Court, it didn't come into operation. Now, the object behind SICA was revival of sick companies. But not too many revivals took place. But what happened in the process was that a protective wall was created under SICA that once you enter the BIFR, nobody can recover money from you. So, that non-performing investment became more non-performing because the companies were not being revived and the banks were also unable to pursue any demand as far as those sick companies were concerned, and therefore, SICA runs contrary to this whole concept of exit that if a particular management is not in a position to run a company, then instead of the company closing down under this management, a more liquid and a professional management must come and then save this company. That is the whole object. And if nobody can save it, rather than allowing it to be squandered, the assets must be distributed — as the Joint Committee has decided — in accordance with the waterfall mechanism which they have created.

MR. DEPUTY CHAIRMAN: Okay. Now, Shri Jayant Sinha.

SHRI V. P. SINGH BADNORE (Rajasthan): Sir, I have a small clarification.

MR. DEPUTY CHAIRMAN: You are Vice-Chairman. How can I deny you?

SHRI V. P. SINGH BADNORE: Thank you very much. Sir, I want a very simple clarification. Now, most of the NPAs are in the power sector also. In the power sector, suppose a thermal plant has been put with the condition that so much 'gas' is going to be given to them by the Government. But that gas is not coming; and suppose that happens. Now, if it is because of the Government policy that he is having an NPA and he has to close down, then is there some sort of a consideration for him?

MR. DEPUTY CHAIRMAN: Okay. Now, Shri Jayant Sinha.

SHRI JAYANT SINHA: Mr. Deputy Chairman, Sir, when I get a chance, I will answer the hon. Member's question as well.

MR. DEPUTY CHAIRMAN: Yes, please.

SHRI JAYANT SINHA: I will keep my comments short. I recognise, it is late in the evening. Members are tired.

MR. DEPUTY CHAIRMAN: Yes, please be as brief as possible.

SHRI JAYANT SINHA: The hon. Finance Minister has already spoken at length. So, I will keep this very short.

First of all, very quickly, I want to thank everybody who has worked for many years in putting this legislation together. I want to thank the Members in the Lok Sabha. They have passed it. But, in particular, I really do want to thank the Joint Select Committee that worked on it. There were thirty Members, ten from this august House, who have improved upon this in very significant ways, including the fact that they have strengthened workmen's rights, they have introduced cross-border insolvency recourse, so that we can go in for cross-border insolvencies as well, and they have introduced and strengthened the role of the operational creditors as well. So, we owe a lot to the Joint Select Committee. And I really want to recognise them for the work that they have done.

Many Members spoke today and I want to thank them for their contributions as well. What I would try and do is to, in a very short- pointed way, answer the specific questions that were brought up.

First, I want to start with my good friend, Prof. Gowda. I want to remind him, since he was at the University of Pennsylvania, that the economist he refers to was at Harvard, Prof. Joseph Schumpeter, who, obviously, spoke about creative destruction. And I think all hon. Members here — maybe there are a few exceptions — will agree that we operate in a market economy. And, because we operate in a market economy in this country and around the world and because, progressively, over the last 25 years, we have moved more and more towards an open market economy where we have brought down entry barriers, as Prof. Gowda correctly said, we also have to make it possible for exit, resolution and revival to happen in a smooth, effective and efficient manner, protecting the various stakeholders. That is what could not be made possible in the Indian economy previously and that is what this quite historic legislation will enable us to do.

We have many debates in this House and in the other House as well; we have many discussions. But I just want to pause for a second, to remind ourselves that this is a historic legislation. We are changing the Indian economy because we are enabling it, in fact, to be able to let the processes of creative destruction, which Prof. Gowda was speaking about, operate much more efficiently. We will do that while protecting the people who matter, and the people who matter the most, as Tapan da correctly said, are, obviously, the workmen. We have to make sure that those stakeholders, because they are the most vulnerable, are protected first. He brought up several instances where people have not got their dues paid; in some cases, it was 43 months and so on. Tapan da, the way this law is set up, precisely avoids those problems, because it enables workmen to initiate the insolvency process. So, for example, if it has been three months or six months that you have not been paid, you can initiate the insolvency process and you will be first-in-line, for up to 24 months. So, the cases that you are worried about, those are precisely the kinds of cases that we will avoid through this legislation the way that it is written and so, I think, your fears would be set at rest when you understand exactly how this law would work.

SHRI TAPAN KUMAR SEN: What will happen to those people who have not been paid wages for more than six years? There are such cases in the Government sector as well as in the private sector.

SHRI JAYANT SINHA: Those historical cases... *...(Interruptions)...* In most instances, if they are already being tried by a superior court, for example, the High Courts or the Supreme Court, we cannot initiate this process for them, but if they are in some of the other courts, then it is possible, on a voluntary basis, to bring them to the NCLT and see whether we can have a more efficient resolution process. But we wanted to protect the most vulnerable. I really want to thank the Joint Committee for ensuring that it was 24 months worth of workmen dues that we protect in this manner. Of course, we, as a Government, are trying our level best as well to create a robust safety net, so that it is not necessary that our workers are reliant only on a company or a job, because, as Prof. Gowda points out, in a market economy, companies come and companies go. So, if, in India, we rely only on the company for a safety net, we are making many of our workers very, very insecure and vulnerable. We want to avoid that through some of the other initiatives that we are taking in the Government. *...(Interruptions)...* For an existing company, of course, you can do it. But, what if a company is already in a High Court proceeding, which is the case that Tapan da brought out?

SHRI TAPAN KUMAR SEN: I have written to you.

8.00 P.M.

SHRI ARUN JAITLEY: May I? I am sorry to interrupt my friend.

In case there is a company which has been lying sick for a number of years, and workmen are still struggling to get their dues and the creditors are still struggling, and on the day that this Act is notified the conditions for petitioning or invoking the jurisdiction of this Act are made out, even though it is a pre-existing state of sickness, the forum would have jurisdiction, even with regard to those. So, the assets can be sold, unless something had already been wound up.

SHRI JAYANT SINHA: Tapan *da* and Prof. Gowda also wanted to understand how revival will work within this framework. Well, when a company is put into bankruptcy, there is also an ability to preemptively talk about bankruptcy. So, the revival process can actually start even before you go into bankruptcy. Obviously you know what the shadow of bankruptcy will do. So, the idea would be the stakeholders' understanding that bankruptcy is possible and it is a costly time-consuming affair, we will preemptively sit down and negotiate and come to a better settlement. That is indeed possible. But if you do go into bankruptcy or if you do it preemptively, there are three possibilities that are worth considering when you go into revival process. One is, you find that it is the promoter that is not capable of managing that company any longer. So, you replace the promoter because the secured creditors, workmen and so on, have preemptive rights over the promoter, the equity holders at that point. So, you just replace them and the company is viable; it operates and it becomes competitive and moves on. The second case is, if the company actually requires a complete resetting of its costs and its capital structure to become competitive, there is a restructuring process that is required and that will be done through the insolvency process. There is a reset and then after the reset the company is competitive once again and it goes forward and it becomes successful. That is what happens consistently in the United States. They go into bankruptcy, the liabilities are reset, they become competitive again and then thereafter they do fine. There is a third case where, in fact, you have to go into liquidation because the company cannot compete any longer. I myself in the United States, in some of the work I have done, have taken companies through either a revival process or a liquidation process. But if we have an effective resolution process, we can actually do that quite well. So, again, this legislation will enable us to do this kind of revival depending on which case you want to put it through. That depends on company's competitive position. So, we will be able to do that in a much more seamless way. Naresh Agrawalji wanted to know how the courts will actually work and how the

appellate process will work. Very quickly I want to tell him that we will have the National Company Law Tribunal. The appellate body to that is the NCLAT and that can then be appealed to the Supreme Court in the case of individuals and for partnerships you go to the DRT, as the hon. Finance Minister just said, then you go to the Appellate body, the DRAT, and then again to the Supreme Court. That is how it will work. There was a question also about PSUs. PSUs are companies as well. Of course, they have, in some way, sovereign backstopping. Since they are companies, they are subject to the same laws that we would be bringing in as far as bankruptcy is concerned. Vivek Gupta^{ji} wanted to understand whether bankruptcy would be possible in a repeated way. I don't think that will be possible because once you go through bankruptcy, we capture that information and then there will be few creditors who will want to give you loans again. And, therefore, you will not be able to repeatedly go through bankruptcy because creditors will not be there. So, that is the way we would answer that question. Anand Sharma^{ji} and Prof. Gowda wanted to know about fraud that is committed during the insolvency process. There, there are some penalties. There are specific clauses that ensure penalties if you are doing fraudulent or avoidance actions and there is a way for the insolvency manager to prevent avoidance actions. So if somebody wants to siphon assets away, those can be prevented and brought back into the insolvency process. So, those clauses are, in fact, there. Then there were several questions about how will this be implemented and how will this actually be executed. We have limited jurisdiction capacity. We need more judges; we need more courts. How will the industry be created and where will the professionals come from and so on? Those are very good questions. Of course, we are working on all of those; we are setting up the course. I am sure Prof. Gowda and his work at Bengaluru and other premier management institutes will ensure that this training and the course work is put together for bankruptcy, and I will rely on him to encourage his other academic colleagues to do that. But we will, of course, go through a stage notification process, implementing this as and when we find that the implementation and the execution capacity is there. That is, you know, our responsibility and we will certainly do it that way. To the best of my knowledge, I think, the performance bonds case issue, that you brought up, has, in fact, been amended by the Joint Select Committee. So that is not something you need to worry about. And to your question also, Prof. Gowda, about whether the time is sufficient or not, I want to once again remind you that it is possible to actually preemptively start talking about bankruptcy and, therefore, have more time rather than just 180 to 190 days. Sir, these were the major questions that were brought up. ...(*Interruptions*)...

SHRI BHUPINDER SINGH (Odisha): What about accountability on bankers?

SHRI JAYANT SINHA: Accountability on the bankers is there through their Boards, through their management structures, through their shareholders and obviously there are grievance redressal mechanisms that are also there. With this, I commend the legislation to the House.

MR. DEPUTY CHAIRMAN: Now, the question is:

That the Bill to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interest of all the stakeholders including alteration in the order of priority of payment of Government dues and to establish an Insolvency and Bankruptcy Board of India, and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration.

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 15 were added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 16, there is one Amendment (No. 1) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY (Andhra Pradesh): Sir, I won't move because it is too late. I don't want to move.

Clause 16 was added to the Bill.

Clauses 17 to 67 were added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 68, there is one Amendment (No. 2) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendment.

Clause 68 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 69, there are two Amendments (Nos. 3 and 4) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, it is already 8 o'clock. People are hungry. So, I am not moving the amendments.

Clause 69 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 70, there are three Amendments (Nos. 5 to 7) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendments.

Clause 70 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 71, there are two Amendments (Nos. 8 and 9) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendments.

Clause 71 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 72, there are two Amendments (Nos. 10 and 11) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendments.

Clause 72 was added to the Bill.

Clause 73 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 74, there are two Amendments (Nos. 12 and 13) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendments.

Clause 74 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 75, there is one Amendment (No.14) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, though I want to move, it will be more delayed. So, I am not moving the amendment.

Clause 75 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 76, there are two Amendments (Nos. 15 and 16) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I am not moving the amendments.

Clause 76 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 77, there are three Amendments (Nos. 17 to 19) by Dr. T. Subbarami Reddy. Are you moving?

DR. T. SUBBARAMI REDDY: Sir, I think these are the last amendments. If you say, I want to move. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: In order to save the time, you may consider not moving.

DR. T. SUBBARAMI REDDY: Okay, Sir, I am not moving the amendments.

Clause 77 was added to the Bill.

Clauses 78 to 255 and the First Schedule to Eleventh Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI JAYANT SINHA: Sir, I rise to move:

That the Bill be passed.

The question was put and the motion was adopted.

The Indian Trusts (Amendment) Bill, 2015

MR. DEPUTY CHAIRMAN: Hon. Members, I have been told that there is a consensus that the Indian Trusts (Amendment) Bill can be passed without discussion. ...*(Interruptions)*... Am I correct? ...*(Interruptions)*...

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI MUKHTAR ABBAS NAQVI): Yes, Sir. ...*(Interruptions)*...

SHRI BHUPINDER SINGH (Odisha): Mr. Deputy Chairman, Sir, I have to ...*(Interruptions)*...

SHRI MUKHTAR ABBAS NAQVI: One minute, please. Sir, after the explanation by the Minister ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Bhupinder Singh ji, you can go. Don't worry. ...*(Interruptions)*... You can go. ...*(Interruptions)*... Bhupinder Singh ji, you can go. ...*(Interruptions)*... No, I am told that there is a consensus that the Indian Trusts (Amendment) Bill can be passed without discussion. Shri Arun Jaitley to move a motion for consideration that the Indian Trusts (Amendment) Bill, 2015 be taken into consideration.

THE MINISTER OF FINANCE; THE MINISTER OF CORPORATE AFFAIRS AND THE MINISTER OF INFORMATION AND BROADCASTING (SHRI ARUN JAITLEY) : Sir, I move:—